

*Subscription of
York Lambton Corp Ltd.*

**1966
annual reports**



**THE
LAMBTON COMPANIES**





The Lambton Loan and Investment Company and The Lambton Trust Company, Limited

HEAD OFFICE

SARNIA, ONTARIO
191 Front Street North

BRANCH OFFICES

WALLACEBURG, ONTARIO
541 James Street
Manager: J. G. Brown

CHATHAM, ONTARIO
133 King Street West
Manager: J. B. Beaman

SARNIA, ONTARIO
Northgate Centre
Manager: R. C. Nickle

AGENCY

TORONTO, ONTARIO
48 Yonge Street
Manager: D. H. Dawkins

OFFICERS

E. A. PARDEE, General Manager
The Lambton Loan and Investment Company
The Lambton Trust Company, Limited

J. D. MURRAY, Secretary-Treasurer
The Lambton Loan and Investment Company

R. C. CASSELMAN, Manager
The Lambton Trust Company, Limited

D. J. STEVENSON, Controller
The Lambton Loan and Investment Company
The Lambton Trust Company, Limited

R. E. DOWSWELL, Secretary-Treasurer
The Lambton Trust Company, Limited

Board of Directors

THE LAMBTON LOAN AND INVESTMENT COMPANY

PRESIDENT

JOHN A. SMITH, Sarnia

VICE-PRESIDENT

D. PARK JAMIESON, M.B.E., Q.C., LL.D., Sarnia

DIRECTORS

JAMES E. COYNE, Winnipeg

C. E. (Zeb) JANES, Wyoming

W. GORDON LINK, Sarnia

BERT A. LOGAN, Sarnia

PHILIP B. MacDONALD, Toronto

W. J. MILLER, Sarnia

FRANCIS A. OUELLETTE, Dover Centre

SINCLAIR M. STEVENS, Toronto

DOUGLAS R. WARREN, M.D., D.P.H., Sarnia

G. HARRY WILSON, Charing Cross

NOTE: The following changes took place in the Board of Directors since the last annual meeting.

Mr. Coyne resigned January 17, 1967.

Mr. Wilson resigned April 28, 1966.

THE LAMBTON TRUST COMPANY, LIMITED

PRESIDENT

JOHN A. SMITH, Sarnia

VICE-PRESIDENT

D. PARK JAMIESON, M.B.E., Q.C., LL.D., Sarnia

DIRECTORS

JAMES E. COYNE, Winnipeg

W. GORDON LINK, Sarnia

JUSTIN S. MALLON, Q.C., Sarnia

FRANK A. HYDE, Q.C., Wallaceburg

THOMAS. F. KENNY, Sarnia

G. C. NORSWORTHY, Sarnia

NOTE: The following changes took place in the Board of Directors since the last annual meeting.

Mr. Coyne resigned October 27, 1966.

Mr. Norsworthy resigned February 13, 1967.

Letter to the Shareholders

It is with pleasure that we present your companies' financial reports for 1966, the One Hundred and Twenty-Third year of operations of the Lambton Loan and Investment Company and the Thirty-Ninth year of the Lambton Trust Company. These reports show a strong financial position.

On the occasion of Canada's One Hundredth Birthday, we salute the builders of Canada and take pride in the fact that we are a pioneer in our own industry, having started our business twenty-three years before Confederation and have played no small part in the development of our area.

The steady growth of the companies reflects the expansion of facilities that took place during 1965. This has been most gratifying and indicates an improvement in our earnings for the future.

Debentures and Deposits reached \$24,444,000 which is a gain of 28%, a new high for the company.

The growth of our assets made a corresponding increase in our investment in mortgages. These have increased to \$21,269,000 a gain of 22%. When selecting mortgages we have followed the same conservative policy as in the past and have concentrated on prime residential and farm loans.

There was very little change in the consolidated profits for the year. This amounted to 41.9¢ per share against 43¢ per share for 1965. A dividend on Lambton Loan shares of 32¢ per share for 1966 was paid being the same as that paid in 1965. After payment of such dividend the undivided profits of the Consolidated Companies at the end of the year were \$313,711 compared with \$274,600 at the end of 1965.

Due to our steady growth over the years, our facilities at our main branch and Head Office, 191 Front Street North, Sarnia, became inadequate. We, therefore, purchased the building immediately to the south of us for expansion. The properties were connected and completely renovated to provide us with proper up-to-date office space and customer facilities. These changes were made without interrupting our services to the public and upon completion a successful "Open House" was held on December 9th.

Our area of Western Ontario continues to grow and prosper and we feel that we are now in a better position than ever to share in that prosperity.

During the year Mr. R. C. Casselman was appointed Manager and a Trust Officer of The Lambton Trust Company. He brings to the company extensive experience in all phases of trust administration including investment management. Mr. Casselman received a B Comm. degree from McGill University and LL.B. from Dalhousie University, and is a member of the Canadian Bar Association and the Nova Scotia Barristers Society. His appointment is in line with our policy of having a staff of the highest quality.

The Estates, Trusts and Agencies under administration have shown a healthy increase despite the fact that a number of large estates were wound up and dispersed during the past year. The outlook for Lambton Trust is most encouraging. Appointments of the Trust Company as executor under new wills are continuing at a high level.

We wish to thank the staff for their untiring efforts and loyal support during the year.

E. A. PARDEE,
General Manager.

J. A. SMITH,
President.



Consolidated Balance Sheet

ASSETS

	1966	1965
Cash	\$ 342,388	\$ 350,885
Demand loans	1,250,549	287,500
Bonds:		
Government of Canada — at amortized value	1,667,541	1,597,702
Provinces of Canada, direct and guaranteed — at amortized value	619,877	587,181
Municipal and corporate — not in excess of market value	438,595	488,578
Preference shares in Canadian corporations — not in excess of market value	710,261	726,457
Mortgages	21,268,799	17,403,323
Income taxes recoverable	—	20,318
Office premises, less depreciation	389,322	367,157
	<u>26,687,332</u>	<u>21,829,101</u>
ESTATES, TRUSTS AND AGENCIES		
Assets under administration	4,753,720	4,404,674
	<u>\$31,441,052</u>	<u>\$26,233,775</u>

THE LAMBTON LOAN AND INVESTMENT COMPANY AND ITS SUBSIDIARY THE LAMBTON TRUST COMPANY, LIMITED, CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES AND UNDIVIDED PROFITS FOR THE YEAR ENDED DECEMBER 31, 1966

	1966	1965
REVENUE		
Interest from mortgages	\$ 1,396,409	\$ 1,268,205
Interest and dividends from bonds and stocks	181,156	145,466
Fees from estates, trusts and agencies	48,055	36,608
Other operating revenue	82,247	41,953
	<u>1,707,867</u>	<u>1,492,232</u>
EXPENSES		
Interest on deposits, debentures and demand loans	1,070,877	893,516
Salaries and staff benefits	183,079	154,985
Depreciation	40,037	25,917
Other expenses	227,180	187,900
	<u>1,521,173</u>	<u>1,262,318</u>
Income taxes	186,694	229,914
	<u>20,300</u>	<u>56,800</u>
	166,394	173,114
Minority interest	923	2,671
Net profit for the year	165,471	170,443
Undivided profits — beginning of year	274,600	205,517
Transfer from investment reserve	—	25,000
	<u>440,071</u>	<u>400,960</u>
Dividends	126,360	126,360
Undivided profits — end of year	<u>\$ 313,711</u>	<u>\$ 274,600</u>

THE LAMBTON LOAN AND INVESTMENT COMPANY AND ITS SUBSIDIARY
THE LAMBTON TRUST COMPANY, LIMITED
CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1966

LIABILITIES	1966	1965
Deposits	\$ 6,379,185	\$ 5,189,382
Demand loans	—	600,000
Debentures	18,064,876	13,846,026
Dividends payable	31,590	32,822
Taxes payable	3,256	—
Other liabilities	41,958	32,922
	<u>24,520,865</u>	<u>19,701,152</u>
Minority interest in subsidiary	21,595	22,243
SHAREHOLDERS' EQUITY		
Capital:		
Authorized, 500,000 shares of \$2 each		
Issued and fully paid, 394,875 shares	789,750	789,750
General reserve	1,041,411	1,041,356
Undivided profits	313,711	274,600
	<u>2,144,872</u>	<u>2,105,706</u>
	26,687,332	21,829,101
ESTATES, TRUSTS AND AGENCIES		
Funds under administration	4,753,720	4,404,674
	<u>\$31,441,052</u>	<u>\$26,233,775</u>

JOHN A. SMITH, President
E. A. PARDEE, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of The Lambton Loan and Investment Company and its subsidiary The Lambton Trust Company, Limited as at December 31, 1966 and the consolidated statement of revenue and expenses and undivided profits for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and consolidated statement of revenue and expenses and undivided profits present fairly the financial position of the Company and its subsidiary as at December 31, 1966 and the consolidated results of their operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

D. MITCHELL, C.A.
L. F. CORNISH, F.C.A.
of the firm of McDonald, Currie & Co.
Chartered Accountants, Auditors.

March 4, 1967.



Lambton Loan Balance Sheet

ASSETS	1966	1965
Cash	\$ 335,309	\$ 352,203
Demand loans—fully secured	1,250,549	286,679
Bonds:		
Government of Canada—at amortized value	1,619,834	1,549,996
Provinces of Canada direct and guaranteed—at amortized value	574,440	541,743
Municipal and corporate—not in excess of market value	438,595	488,578
Preference shares in Canadian corporations—not in excess of market value	710,261	726,457
Income taxes recoverable	4,919	30,833
Mortgages	20,906,311	17,043,283
THE LAMBTON TRUST COMPANY		
Investment—at cost	330,495	329,945
Dividend receivable	—	23,996
Office premises, less depreciation	389,322	367,157
	<u>\$26,560,035</u>	<u>\$21,740,870</u>

THE LAMBTON LOAN AND INVESTMENT COMPANY STATEMENT OF UNDIVIDED PROFITS YEAR ENDED DECEMBER 31, 1966

	1966	1965
Net profit for the year before undernoted items.	\$213,234	\$255,545
Depreciation	40,037	25,917
Income Taxes	9,000	40,800
	<u>49,037</u>	<u>66,717</u>
Net profit for the year	164,197	188,828
Undivided profits—beginning of year	212,336	149,868
	<u>376,533</u>	<u>338,696</u>
Dividends	126,360	126,360
Undivided profits—end of year	<u>\$250,173</u>	<u>\$212,336</u>

THE LAMBTON LOAN AND INVESTMENT COMPANY
BALANCE SHEET, DECEMBER 31, 1966

LIABILITIES	1966	1965
Deposits	\$ 6,382,488	\$ 5,229,342
Demand loans	—	600,000
Dividend payable	31,590	31,590
Debentures	18,064,876	13,846,026
Other liabilities	41,158	31,826
	<u>24,520,112</u>	<u>19,738,784</u>

SHAREHOLDERS' EQUITY

Capital:

Authorized, 500,000 shares of \$2 each		
Issued and fully paid, 394,875 shares	789,750	789,750
General reserve	1,000,000	1,000,000
Undivided profits	250,173	212,336
	<u>2,039,923</u>	<u>2,002,086</u>
	<u>\$26,560,035</u>	<u>\$21,740,870</u>

JOHN A. SMITH, President
E. A. PARDEE, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of The Lambton Loan and Investment Company as at December 31, 1966 and the statement of undivided profits for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of undivided profits present fairly the financial position of the Company as at December 31, 1966 and the results of its operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

D. MITCHELL, C.A.
L. F. CORNISH, F.C.A.
of the firm of McDonald, Currie & Co.
Chartered Accountants, Auditors.

March 4, 1967.



Lambton Trust Balance Sheet

ASSETS	1966	1965
Cash	\$ 10,382	\$ 38,642
Bonds — at amortized value		
Government of Canada	47,707	47,707
Provinces of Canada — direct and guaranteed	45,437	45,437
Mortgages	362,488	360,861
	<u>466,014</u>	<u>492,647</u>
ESTATES, TRUSTS AND AGENCIES		
Assets under administration	4,753,720	4,404,673
	<u>\$5,219,734</u>	<u>\$4,897,320</u>

THE LAMBTON TRUST COMPANY, LIMITED STATEMENT OF UNDIVIDED PROFITS YEAR ENDED DECEMBER 31, 1966

	1966	1965
Net profit for the year before income taxes	\$33,026	\$43,779
Income taxes	11,300	16,000
Net profit for the year	<u>21,726</u>	<u>27,779</u>
Undivided profits — beginning of year	65,460	58,406
Transfer from investment reserve	—	25,000
	<u>65,460</u>	<u>83,406</u>
	87,186	111,185
Dividends	20,497	45,725
Undivided profits — end of year	<u>\$66,689</u>	<u>\$65,460</u>

THE LAMBTON TRUST COMPANY, LIMITED
BALANCE SHEET, DECEMBER 31, 1966

LIABILITIES	1966	1965
Accounts payable	\$ 800	\$ 1,095
Income taxes payable	8,175	10,514
Dividend payable	—	25,228
	<u>8,975</u>	<u>36,837</u>
SHAREHOLDERS' EQUITY		
Capital:		
Authorized, 20,000 shares of \$50 each		
Issued and fully paid, 6,307 shares	315,350	315,350
General reserve	75,000	75,000
Undivided profits	66,689	65,460
	<u>457,039</u>	<u>455,810</u>
	466,014	492,647
ESTATES, TRUSTS AND AGENCIES		
Funds under administration	4,753,720	4,404,673
	<u>\$5,219,734</u>	<u>\$4,897,320</u>

JOHN A. SMITH, President
E. A. PARDEE, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the balance sheet of The Lambton Trust Company, Limited as at December 31, 1966 and the statement of undivided profits for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statement of undivided profits present fairly the financial position of the Company as at December 31, 1966 and the results of its operations for the year ended on that date in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

D. MITCHELL, C.A.
L. F. CORNISH, F.C.A.
of the firm of McDonald, Currie & Co.
Chartered Accountants, Auditors.

March 4, 1967.



THE LAMBTON LOAN AND INVESTMENT COMPANY
AND
THE LAMBTON TRUST COMPANY, LIMITED

Consolidated Report of Five Years of Progress

	1966	1965	1964	1963	1962
Bonds and stocks	\$ 3,436,274	\$ 3,399,918	\$ 1,512,804	\$ 1,355,865	\$ 1,811,010
Mortgages	21,268,799	17,403,323	16,489,027	13,921,318	12,248,307
Deposits	6,379,185	5,789,382	5,361,549	3,700,997	3,463,899
Debentures	18,064,876	13,846,026	11,260,927	10,017,729	9,050,723
Shareholders' Equity including reserve	2,144,872	2,105,706	2,106,682	2,138,188	2,121,296
Estates, Trusts & Agencies	4,753,720	4,404,674	4,341,696	3,868,062	3,709,712
Total Assets	31,441,052	26,233,775	23,167,693	19,836,818	18,470,139

The Services We Offer

- **DEPOSIT ACCOUNTS:**

Interest calculated on the minimum monthly balance and added half-yearly. Withdrawals in person at any time without notice.

- **SAVINGS ACCOUNTS:**

Interest calculated on the minimum six month balance and added half-yearly; chequing privileges.

- **DEBENTURES:**

Highest current interest rates paid half-yearly either by cheque or coupon. Terms from one to five years. May be left to accumulate in which case interest compounded half-yearly. Both are excellent short term investments.

- **RETIREMENT SAVINGS PLAN:**

Participation in this plan can mean income tax savings and provide retirement pensions.

- **MORTGAGES:**

Money loaned on first mortgages on residential, farm and other approved types of properties.

- **SAFETY DEPOSIT BOXES:**

Safety Deposit Boxes provide safety for securities and valuables at a moderate cost.

- **ESTATES:**

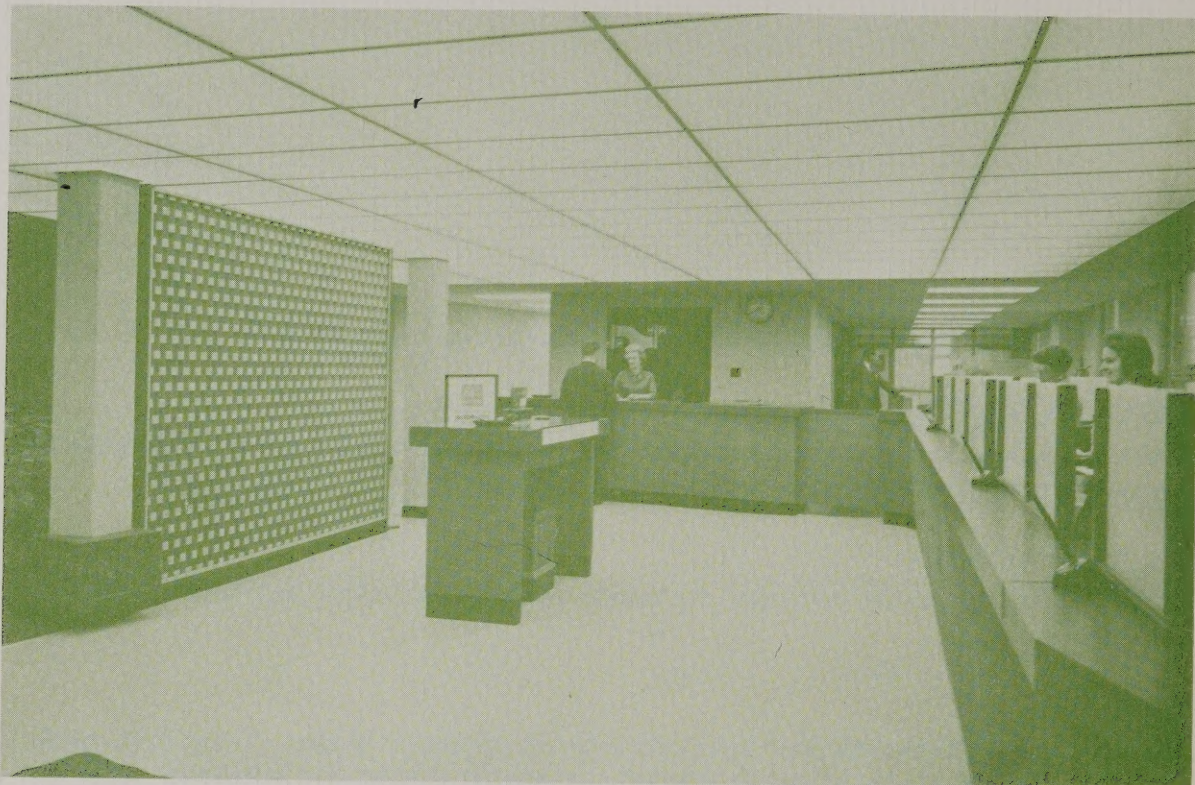
We act as executors or administrators of estates; bringing to them continuity and efficient administration. Consult our experienced staff in this regard without charge.

- **MANAGED INVESTMENT SERVICE:**

Complete service in the management of all types of investments. Ideal for those either too busy or untrained to handle their own business affairs.

- **TRUSTS:**

We act as trustees for various types of trusts.



Above, Interior The Lambton Loan and Investment Company.

Newly renovated Head Office, 191 Front Street, North
Sarnia, Ontario

Below, Interior The Lambton Trust Company, Limited.





